Statement of

VIETNAM VETERANS OF AMERICA

Submitted by

Leonard J. Selfon, Esq. Director, Veterans Benefits Program

And

Richard Weidman Director, Government Relations

Before the

United States House of Representatives Committee on Veterans' Affairs Subcommittee on Benefits

Regarding

H.R. 1291 – 21st Century Montgomery GI Bill Enhancement Act

May 24, 2001

Mr. Chairman and other distinguished members of the Committee, on behalf of Vietnam Veterans of America (VVA), we are pleased to have this opportunity to present our views with respect to an important piece of veterans-related legislation, H.R. 1291; the "21st Century Montgomery GI Bill Enhancement Act". Its provisions concern well-deserved increases in the rates for basic educational assistance benefits under the Montgomery GI Bill. VVA is most appreciative of your inviting us to provide a statement for the record in this matter, and for your leadership in seeking to improve such a vital VA programs as this one.

VVA wholeheartedly endorses the legislative action reflected in H.R. 1291. The benefit increases and program improvements contained therein will enhance the lives of veterans and their dependents. The current level of benefits is clearly inadequate to allow many young veterans even to consider furthering their education. This low rate also significantly contributes to the high drop out rate prior to finishing a course of study.

While VVA is generally very supportive of this Act's provisions, we offer the following comments for your consideration.

Pursuant to the Montgomery GI Bill (MGIB), the Department of Veterans Affairs (VA) pays eligible individuals who are pursuing an approved program of education, a basic educational assistance allowance to help defray the cost of tuition, subsistence, fees, supplies, books, equipment and other educational expenses. Currently, the VA pays a basic educational assistance allowance for an approved educational program that is pursued on a full-time basis at a monthly rate of \$528.00. See 38 U.S.C. § 3015(a)(1). H.R. 1291 proposes periodic increases to that rate as follows: \$800.00 during FY 2002; \$950.00 during FY 2003; and \$1,100.00 during FY 2004. See H.R. 1291, § 2(a)(1).

Further, in the case of an individual who is entitled to an educational assistance allowance and whose initial obligated period of active duty is two years, the current basic educational assistance allowance paid for an approved educational program on a full-time basis is at the monthly rate of \$429.00. *See* 38 U.S.C. § 3015(b)(1). H.R. 1291 proposes periodic increases to that rate as follows: \$650.00 during FY 2002; \$772.00 during FY 2003; and \$894.00 during FY 2004. *See* H.R. 1291, § 2(a)(2).

Vietnam Veterans of America (VVA) is strongly supportive of these increases not only because it will benefits the fine young men and women ending their service to Nation in the Armed Forces, but also because it is in the interest of the Nation to ensure that the extraordinary potential and discipline of the men and women is maximized. The way to do that is to ensure that they are able to acquire the higher education that will build off of the solid base they have already acquired in the military.

It is useful to note that as of the 50th anniversary of the GI Bill, more than 20 million veterans had used these benefits to make them more prepared for the challenges of the civilian workplace, and to enable them to become more productive. Since that time the Montgomery GI Bill continues to provide the same opportunities to the young veterans of today. Early passage and enactment of H.R 1291 will ensure that this tool will be similarly effective in the future of helping to fuel the engine of our Nation's economic success.

Of concern to VVA is § 2(b) of the proposed legislation. That section provides that "[n]o adjustment in rates of educational assistance shall be made under section 3015(h) of title 38, United States Code, for fiscal years 2002, 2003, and 2004." Currently, the Secretary of the VA is authorized to provide a percentage increase (rounded to the nearest dollar) in the rates addressed in the foregoing sections equal to the percentages by which the Consumer Price Index (CPI) (for all items, United states city average) for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds such CPI for the 12-month period preceding that 12-month period.

These percentage increases are designed to keep pace with inflation and other economic factors that can drive upward expenses incurred in conjunction with the pursuit

of a higher education. By eliminating the Secretary's authority to counteract the detrimental impact of increased educational expenses, eligible MGIB educational assistance beneficiaries will have to bear the increased costs on their own. In the spirit of providing true assistance with these veterans' educational expenses, the VA should be able to authorize periodic increases in the monthly payment rates. Such authority, we believe, is consistent with the purpose underlying the MGIB. It is our belief that the intent of this Act is to increase the base rate to a more realistic level, and not to be the final word on the level of benefits irrespective of inflationary pressures. VVA therefore encourages the revision of subsection (b) to allow for CPI increases.

Vietnam Veterans of America sincerely appreciates the opportunity to present our views on this important legislation. We believe that it addresses matters of vital concern to veterans, their dependents and the American people. We look forward to working with this Committee and Congress on this and other important issues.

Leonard J. Selfon, Esq. Director, Veterans Benefits Program

Leonard J. Selfon, Esq., has served as the Director of VVA's Veterans Benefits Program since September, 1999. In that position, he is responsible for the training and oversight of more than 400 accredited service representatives nationwide, and supervises VVA's representation of veterans and their dependents before the Board of Veterans' Appeals and the Federal courts. In addition, Leonard serves as a contributing writer and managing editor of VVA's publication Veterans Benefits News, which contains the latest information on legislation, regulations and court decisions that affect veterans benefits law. He has also prepared and delivered testimony before Congress concerning a variety of veterans-related issues.

Between 1991 and 1998, Leonard served as counsel to the Secretary of Veterans Affairs, working as a Senior Appellate Attorney in the VA Office of the General Counsel. His primary responsibility was to represent the VA in all aspects of appellate litigation before the U.S. Court of Appeals for Veterans Claims. Upon leaving the VA in October, 1998, Leonard served as a veterans law consultant to both the Veterans Consortium *Pro Bono* Program and to members of the private veterans bar. He has also had experience in the corporate law sector, having served as legal consultant to a national health insurance carrier.

Leonard is a graduate of the University of Maryland and the University of Baltimore School of Law.

Richard Weidman Director, Government Relations

Richard Weidman serves as Director of Government Relations on the National Staff of Vietnam Veterans of America. He served as a medic with Company C, 23rd Med, America Division, located in I Corps of Vietnam in 1969.

Mr. Weidman was part of the staff of VVA from 1979 to 1987, serving variously as Membership Service Director, Agency Liaison, and Director of Government Relations. He left VVA to serve in the Administration of Governor Mario M. Cuomo (NY) as Director of Veterans Employment & Training for the New York State Department of Labor.

He has served as Consultant on Legislative Affairs to the National Coalition for Homeless Veterans, and served at various times on the VA Readadjustment Advisory Committee, the Secretary of Labor's Advisory Committee on Veterans Employment & Training, the President's Committee on Employment of Persons with Disabilities on Disabled Veterans, Advisory Committee on veterans' entrepreneurship on the Small Business Administration, and numerous other advocacy posts in veteran affairs.

Mr. Weidman was an instructor and administrator at Johnson State College (Vermont) in the 1970s, where he was also active in community and veteran affairs. He attended Colgate University B.A., (1967), and did graduate study at the University of Vermont.

He is married and has four children.

VIETNAM VETERANS OF AMERICA

Funding Statement

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The national organization Vietnam Veterans of America (VVA) is a non-profit veterans membership organization registered as a § 501(c)(19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the House of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any Federal grant or contract, other than routine allocation of office space and associated resources in VA Regional Offices and the Board of Veterans Appeals for outreach and direct services through its Veterans Benefits Program (service representatives). This is also true of the previous two fiscal years.

For further information, please contact:

Director, Government Relations Vietnam Veterans of America (301) 585-4000, extension 127